## State Dept. declassification & release instructions on file Approved For Release 2003/06/12 : CIA-RDP80-01065A000500120036-1

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INFORMAL MINUTES OF A SPECIAL MEETING OF THE INTERDEPARTMENTAL FOREIGN INFORMATION ORGANIZATION CALLED AT THE REQUEST OF , on thursday october 12, 1950, in office of director 25X1A PRESENT: ••. ≽ ,\*ε, Department of State - Mr. Barrett, Director Mr. Stone, Executive Secretary Mr. Hulten Department of Defense - General Magruder Joint Chiefs of Staff - Admiral Stevens Central Intelligence Agency -25X1A Department of the Army - General McClure Sconomic Cooperation Administration - Mr. Drummond to 25X1A The meeting was called at the request of consider certain foreign information activities of ECA in a category which requires eareful coordination with State Department and OPC. 25X1A stated that he felt it was important for the Board to discuss this problem with Mr. Drummond in order to assure the most effective coordination of the type of propaganda activity which necessarily involves important policy and security considerations. He noted that problems in this field had been discussed with the State Department and that an agreement was being worked out in writing defining activities and 25X1A but was solely concerned in reaching an understanding which would achieve the most workable and effective coordination. He outlined several conditions under which the disclosure of the source would be detrimental, because it would (1) cause grave diplomatic embarrassment, (2) impair the effectiveness of the project, or (3) prejudice the medium employed.

Mr. Drummond said that he favored coordination as long as it would not hamper getting the job done well. He was not concerned with jurisdictional issues and would cooperate fully with the State Department and ECA in seeing that specific projects were handled by the agency best equipped to do the job effectively. He pointed out that ECA information operations in Europe are based on the principle of double de-centralization, first to OSR in Paris and second, to the individual country missions which have comsiderable latitude in handling local

SECRET

2

projects without having to refer to Washington. Mr. Drummond stated that ECA has worked on the principle that the most effective propaganda is frequently that conducted by indigenous organizations or groups. He gave several illustrations of the type of project which ECA had undertaken in this field:

- 1. Financial assistance to European publication, such as a proposed magazine devoted to European unity, usually in the form of payment for subscriptions:
- 2. Assistance to private local organizations or committees in France and Italy for dissemination of posters, printed material, etc.
- 3. Assistance to labor organizations, usually for purchase of leaflets or other material supporting Marshall Phan objectives.
- 4. Assistance in the production of films, usually by blacing orders for prints.

25X1A	In response to a question by	Mr. Drummond
	stated that BCD does not always limit	, its use of local private
٠.	organizations to the dissemination of	Information in support
	of Warshall Plan objectives. He said	that in France and
	Thalv. and nerbane cortain other coun	itries, ECA has gone
	- howard this in essisting private grou	ips, our he believed that
	this was always done with the knowled	ge of the Ambassacore
	He stressed the fact that ECA always	follows State Department
	policy guidances on issues like Korea	6

of projects which involve subsidies or financial aid to private groups abroad. As a general rule, he thought that the State Department and ECA should handle projects involving subscriptions to overt publications, purchase of leaflets and other overt printed materials, motion picture prints and posters, and that CIA should, in general, not enter this field or subsidize U. S. publishing firms and motion picture producers. On the other hand, he thought that the State Department and ECA should not engage in subsidizing foreign groups or newspapers and should be particularly careful about its arrangements with organizations in the labor field.

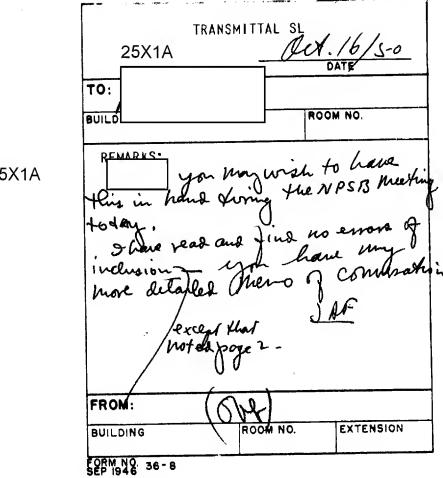
Admiral Stevens said that a good rule for agencies engaged in overt propaganda would be the provision of marketable products at the market price.

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3

in term cuasion does no which a Plan co policy Mr. Hul field i	s of ECA activities in the field. Further dis- brought out the fact that the ECA office in Paris t normally receive reports on projects of this kind, re handled in the individual ECA missions in Marshall untries noted that all projects requiring decisions were referred to Washington by his agency. ten said that all State Department projects in the n this category were likewise referred to Washington icy decision.
Th	e following proposal by Mr. Barrett was accepted:
1.	That the agreement between the State Department and CIA be referred to ECA for its approval?
25X1A 2.	That will undertake to appoint a representative in to coordinate projects in this field with designated representatives of
25X1A	State and ECA, and will consider the possibility
Departme	Stone was requested to send a copy of the State ent-CIA agreement to Mr. Drummond in Paris and to be Minutes of the meeting with



25X1A